MEMO FOR THE RECORD

SUBJECT: Commerce, Unified Economic Production

- 1. William I. Merkin, making good his promise of almost a month ago (see 9 March memo), said that he had explored with Donat (BDSA) and Rennert (BIC) the prospects for some merger of their NIS producing units. The proposition was hard to sell, he said, because meither effice wished to give up their NIS unit to the other. This is quite a change from the earlier days when BDSA did not want the job and Simpson (BIC) said he couldn't care less. Now it seems BIC identifies itself as a collection of country experts, whereas BDSA is full of commodities. BIC feels incompetent to supervise Section 64 even if BDSA were willing to give it up.
- 2. Merkin said that he was getting a new boss (Assistant Secretary) and that something more might be done about the proposal then. In the meantime he suggested that we keep it on the back burner ready to haul out if and when a merger might seem more feasible. Merkin said the economy to be effected might be the saving of one low grade typist. Denat and Rennert, however, will both try to improve the product. They will encourage Key and Thibodeaux to merge their resources and exchange ideas. I thanked him for his efforts and said that our interest in the matter would continue and probably be mentioned during the forthcoming budget sessions.

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